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## UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices
Inbound Competitive Multi-Service Agreements with
Foreign Postal Operators
United States Postal Service Contractual Bilateral
Agreement – FY 22-1 (MC2010-34)
Negotiated Service Agreement

Docket No. CP2022-30

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF FILING FUNCTIONALLY EQUIVALENT INBOUND COMPETITIVE MULTI-SERVICE AGREEMENT WITH FOREIGN POSTAL OPERATOR – FY22-1

(December 10, 2021)

The Public Representative hereby provides comments pursuant to the Commission's Notice in this docket.<sup>1</sup> In that Notice, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice that it entered into an Inbound Competitive Multi-Service Agreement with Foreign Postal Operator.<sup>2</sup> (*Notice*) The Postal Service's Notice concerns the inbound portions of the competitive multi-

<sup>&</sup>lt;sup>1</sup> PRC Notice Initiating Docket No. CP2022-30, December 6, 2021

<sup>&</sup>lt;sup>2</sup> USPS Notice of filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operator – FY22-1, December 3, 2021. (Notice)

product agreement entered into by the Postal Service and an FPO (FPO-USPS Agreement FY22-2).

The Postal Service asserts that the FPO-USPS Agreement FY22-2 is functionally equivalent to the baseline agreement filed in Docket No. MC2010-34 because the terms of this agreement are similar in scope and purpose to the terms of the CP2010-95 Agreement<sup>3</sup> and seeks to include the FPO-USPS Agreement FY22-2 within the Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 (MC2010-34) product. *Notice* at 7. The FPO-USPS Agreement FY22-2 contains rates for inbound packets. *Id.* at 6. The Postal Service intends for the FPO-USPS Agreement FY22-2 to become effective January 1, 2022 and expire on December 31, 2022.

In support of the FPO-USPS Agreement FY22-2, the Postal Service filed a redacted version of the FPO-USPS Agreement FY22-2, a copy of the certification required under 39 C.F.R. § 3035.105(c)(2) and redacted copies of Governor's Decision 19-1. *Notice* at 4; see *Id.*, Attachments 2-4. The Postal Service also filed redacted supporting workpapers. *Notice* at 5

## **COMMENTS**

The Public Representative has reviewed the Postal Service's Notice and supporting documentation and concludes that FPO-USPS Agreement FY22-2 is functionally equivalent to the baseline agreement, and should meet the requirements of 39 U.S.C. § 3633(a).

The Postal Service asserts that FPO-USPS Agreement FY22-2 is functionally equivalent to the baseline agreement filed in Docket No. CP2010-95 with respect to products and cost characteristics. *Notice* at 7. The Postal Service also identifies articles and annexes that 'resemble' articles in the baseline agreement. *Id.* at 8. However, the

<sup>&</sup>lt;sup>3</sup> In Order No. 840, Docket No. CP2011-69, September 7, 2011, the Commission accepted the Postal Service's designation of the CP2019-95 Agreement as the baseline agreement for functional equivalency analyses. See *Notice*, Page 3, Note 5.

Postal Service asserts that the agreements 'share many terms and clauses in common." *Id.* at 2. The Postal Service provides a list that identifies the portions of the FPO-USPS Agreement FY22-2 that are materially similar to the baseline agreement, and identifies differences. *Notice* at 7-9. The Public Representative has reviewed the materials filed under seal and agrees that the differences are not substantial, and that the instant agreement is fundamentally equivalent to the baseline agreement.

Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the of competitive products by market dominant prices; ensure that each competitive product will cover its attributable costs; and ensure that all each competitive product collectively contribute an appropriate share of the institutional costs of the Postal Service. The Public Representative affirms that the supporting workpapers filed under seal related to the FPO-USPS Agreement FY22-2 demonstrate that the Agreement will meet the requirements of 39 U.S.C. § 3633(a).

The Public Representative, after reviewing all of the materials the Postal Service submitted under seal in this matter, recommends that the Commission approve FPO-USPS Agreement FY22-2 as a functionally equivalent agreement within the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators product.

Kenneth R. Moeller
Public Representative

901 New York Ave. NW Washington, DC 20268-0001 202-789-6888 Kenneth.Moeller@prc.gov